General Assembly

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Fifty-ninth session
Agenda item 106

Resolution adopted by the General Assembly

[*on the report of the Fifth Committee (A/59/588)*]

59/264. Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Reaffirming its resolutions 50/222 of 11 April 1996, 51/218 E of 17 June 1997, 52/212 B of 31 March 1998, 53/204 of 18 December 1998, 53/221, section VIII, of 7 April 1999, 54/13 B of 23 December 1999, 55/220 A of 23 December 2000, 55/220 B and C of 12 April and 14 June 2001 and 57/278 A of 20 December 2002,

Having considered, for the period ended 31 December 2003, the financial reports and audited financial statements and the reports and audit opinions of the Board of Auditors on the United Nations,[1] the International Trade Centre UNCTAD/WTO,[2] the United Nations University,[3] the United Nations Development Programme,[4] the United Nations Children's Fund,[5] the United Nations Relief and Works Agency for Palestine Refugees in the Near East,[6] the United Nations Institute for Training and Research,[7] the voluntary funds administered by the United Nations High Commissioner for Refugees,[8] the Fund of the United Nations Environment Programme,[9] the United Nations Population Fund,[10] the United Nations Human Settlements Programme,[11] the Fund of the United Nations International Drug Control Programme,[12] the United Nations Office for Project Services,[13] the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other

[1] *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 5* (A/59/5), vol. I.
[2] Ibid., vol. III.
[3] Ibid., vol. IV.
[4] Ibid., *Supplement No. 5A* (A/59/5/Add.1).
[5] Ibid., *Supplement No. 5B* (A/59/5/Add.2).
[6] Ibid., *Supplement No. 5C* (A/59/5/Add.3).
[7] Ibid., *Supplement No. 5D* (A/59/5/Add.4).
[8] Ibid., *Supplement No. 5E* (A/59/5/Add.5).
[9] Ibid., *Supplement No. 5F* (A/59/5/Add.6).
[10] Ibid., *Supplement No. 5G* (A/59/5/Add.7).
[11] Ibid., *Supplement No. 5H* (A/59/5/Add.8).
[12] Ibid., *Supplement No. 5I* (A/59/5/Add.9).
[13] Ibid., *Supplement No. 5J* (A/59/5/Add.10).

Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994,[14] and the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991,[15] the concise summary of principal findings, conclusions and recommendations contained in the reports prepared by the Board of Auditors,[16] the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors by the United Nations and its funds and programmes[17] and the report of the Advisory Committee on Administrative and Budgetary Questions,[18]

1. *Accepts* the financial reports and audited financial statements and the reports and audit opinions of the Board of Auditors for the above-mentioned organizations, with the exception of the financial statements of the United Nations Office for Project Services;[13]

2. *Notes with concern* that the Board of Auditors was unable to express an opinion on the financial statements of the United Nations Office for Project Services, and acknowledges the comprehensive steps taken by the Office to address the issues raised by the Board;

3. *Notes* the view of the Board of Auditors that it would be premature to conduct an audit in 2005 of the financial statements of the United Nations Office for Project Services for 2004 owing to the time needed to address the critical issues raised in the Board's report, and decides to revert to the issue, at its sixtieth session, in the context of the report of the Board of Auditors on the implementation of its recommendations relating to the biennium 2002–2003;

4. *Approves* the recommendations and conclusions contained in the reports of the Board of Auditors and endorses the observations and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,[18] with the proviso that, should the need arise, the recommendations and conclusions of the Board of Auditors and the comments thereon by the Advisory Committee, including those on the International Criminal Tribunal for Rwanda,[14] the International Tribunal for the Former Yugoslavia,[15] the capital master plan[19] and the United Nations Joint Staff Pension Fund,[20] will be considered under the respective agenda items;

5. *Commends* the Board of Auditors for the superior quality of its reports, in particular with respect to its comments on the management of resources and improving the presentation of financial statements;

6. *Notes with concern* the late issuance of the reports of the Board of Auditors despite the timely submission of these reports to the Secretariat, and requests the Secretary-General to ensure sufficient priority in completing their

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[14] Ibid., *Supplement No. 5K* (A/59/5/Add.11).

[15] Ibid., *Supplement No. 5L* (A/59/5/Add.12).

[16] See A/59/162.

[17] A/59/318 and Add.1.

[18] A/59/400.

[19] A/59/161.

[20] *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 9* (A/59/9), annex XII.

editing and translation in order that they may be submitted to the General Assembly in accordance with the six-week rule;

7. *Takes note* of the reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors by the United Nations and its funds and programmes,[17] and invites the Board of Auditors, in consultation with the Secretary-General and the executive heads of the funds and programmes, to categorize the recommendations according to their priority for implementation;

8. *Requests* the Secretary-General and the executive heads of the funds and programmes of the United Nations to indicate an expected time frame for the implementation of the recommendations of the Board of Auditors, including the office holders to be held accountable;

9. *Reiterates its request* to the Secretary-General and the executive heads of the funds and programmes of the United Nations to examine governance principles and to report thereon to the General Assembly at its sixty-first session, through the respective governing bodies of the funds and programmes of the United Nations;

10. *Requests* the Secretary-General and the executive heads of the funds and programmes of the United Nations also to consider strengthening the internal control framework, harmonizing the administrative mechanisms that would systematically act upon the findings and recommendations of oversight bodies and improving financial reporting, as well as the proper forums for the consideration of the reports of the Board of Auditors by the respective executive boards and the General Assembly, and to report thereon to the General Assembly at its sixty-first session;

11. *Notes* that the Secretariat has been collecting information on the experiences of audit committees within the United Nations system and other international organizations, and requests the Secretary-General to report on and provide an assessment of its findings to the General Assembly at its sixtieth session.

76th plenary meeting
23 December 2004